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ABSTRACT

The implications for American politics, public affairs broadcasting, and new reporting under different sorts of cable television (CATV) systems are considered in detail by this report. The authors believe that a contract carrier system is the most desirable, since it makes broadcast time most freely available and prevents the cable franchise owner from acquiring undesirable political influence and conflicts of interest. The report maintains that a multiplicity of channels will lead to a highly fragmented audience, with political material going mostly to very small audiences; secondly, the fragmented audience will have to be organized, and this will lead to a revitalization of grass roots organizations and local politics; finally, as politics becomes increasingly localized, public attention might be drawn away from its current focus on national problems. Consequently, the report suggests that a federal channel be provided as part of all CATV systems so that national information, which otherwise might be too expensive for local franchises to offer, will still be available to the public. (RH)

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POLITICS IN A WIRED NATION

by

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A Report Prepared for the
SLOAN COMMISSION ON CABLE COMMUNICATIONS

The opinions expressed herein are the views of the author and do not reflect necessarily the opinions of the members of the Sloan Commission on Cable Communications or of the Alfred P. Sloan Foundation.

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POLITICS IN A WIRED NATION

I. INTRODUCTION

The purpose of this paper is to propose, not to predict. People often ask, "What will CATV do to American politics?" There is no signle answer. What it will do is what we choose to make it do, for CATV is not one thing, but a family of things sharing only the physical fact of a wire in common.

Each physical medium -- print, cinema, radio, TV -- has shaped the message by its material form; but Marshall McLuhan overstates the case. The molding effect of the medium is small. The diversity of uses of which any medium is capable is great. Print can be a learned tome, "True Confessions," the telephone directory, or Edward Lear's limericks. Radio can be musical background, Roosevelt's fireside chats, or a device for calling a taxi. So it is with CATV. There is no way to answer what its effect on politics will be. The proper questions to ask are what its effects on politics can be, at what cost, and by what means.

Our subject is the cable medium and politics. Political events change fast. Communication systems change more slowly, and political systems change more slowly still. The period of our concern is the 1980's. Any system proposed must recognize that things will change even within that decade. Furthermore, systems developed for that decade must be so designed as to be hospitable to changes that may come later. Two-way communication systems will be embryonic at best by 1980, but may be very active by 1990. Forty channels may be largely absorbed by entertainment, repeat broadcasts,

news, and a few commercial services in 1980. Eighty channels may offer a very different range of opportunities in 1990. Intersystem linkages by satellite or other means may be costly or limited in capacity in 1980, but may be virtually costless in the 1990's. The CATV systems linked by such means may be an essentially American domestic phenomenon in the 1980's. It may be a worldwide phenomenon 20 years later.

We consider four models of CATV and examine the potential political effects of each system. The first model is commercial CATV with little public control of the use of facilities or of time. This would lead to use of only a few channels, carrying popular, large audience programming and little or no political or public service material. The second model involves legislative control of CATV for the purpose of protecting existing interests so that there would be only gradual changes in present broadcasting patterns. A contract carrier system, similar to the telephone company, is the third model of CATV. This method would allow maximum immediate use of CATV's capabilities. The fourth model is a compromise between the previous three, with some commercial and some free and paid public service use of CATV time. The FCC's August, 1971 letter to the Congress proposes such a mixed system.

With such a variety of options and changing circumstances, it clearly makes far less sense to predict, than to consider what courses might be wise and what consequences for American politics some of them might have. It is to that task that we now turn. We shall consider how a developed CATV system might handle political material of various kinds, both during election campaigns and in ordinary public affairs programming such as news, documentaries, and public policy discussions.

II. POLITICAL USES OF CABLE TELEVISION

A. Public Affairs

Campaigns are brief orgies of citizenship; a health community needs a steady diet of involvement in public affairs. What can cable television do week in and week out to keep the public involved in and informed about civic affairs?

One thing it can do is to bring a picture of the government live into the view of the people. The simplest case is a camera continuously focused on the city council, on congressional hearings, on the United Nations Security Council and General Assembly.

The Congress was purposely excluded from that list. Some kinds of legislative sessions can well be caught by live TV and some cannot. The difference lies in the extent to which the real business is transacted on the podium. TV camera coverage of the floor of the Congress as it operates today would present a most misleading picture. To do the job right would require creative reporting with the camera moving from committee sessions to the floor, to offices and back; with summaries of written reports read, as well as camera coverage of speeches made on the floor of the House and Senate. This is the way the Congress works and indeed the way it should work given the vast volume and technical character of its business. In this respect, the Congress is quite different from a court of law where virtually everything that the jury considers must be publicly presented before them. The Congress is also different from a typical city council which consists of part-time members who come together once a week and really do a substantial part of their business in the meeting. The Congress is also different from the United Nations which is not a legislative body, but rather an opinion-forming and persuasive body and therefore also one in which the speeches are indeed a substantial part of the business.

Another scene that should not be screened is the courts of law. Considerations of human dignity here prevail over the proper desire of the citizens to be informed. Public as a trial may be, it is different to be humiliated before a roomful of visible people than to be humiliated before an unknown vast audience whom fantasy can blow up to any size and character.

Yet with all these reservations, some public bodies could well be on the screen to the mutual benefit of the body and the citizens. City councils are a good example. Granted, screening may not be to the benefit of the incumbents who may show up badly. There is experience with councils that have tried going on television and have stopped because they looked too bad. However, most cities require the council to conduct virtually all proceedings in public, and audiences do attend. More attention would likely have a favorable effect on the character of the proceedings. Public hearings are also good material for CATV. Legislative sessions may well be covered at moments of major reports such as gubernatorial or presidential messages.

However, a fixed camera focused on a debate is the simplest mode of public coverage. Imaginative photographers with lightweight equipment can bring the government to the screen in more vivid ways than the passive shooting of a meeting. The people who live in a housing project, the sanitation crews on the job, the soldiers in Charlie Company, the refugees in a peasant village are all treated now on TV in snippets running from 30 seconds to one hour. On CATV they could live their lives and talk their talk for hour after hour, not with a large continuous audience, but still some audience for long periods of time. Just as copious radio time has brought the endless "talk show," we must assume that copious CATV will bring the endless "look show."

In addition to shows intended for the general public, there can also be programs using CATV more or less as if it were closed-circuit TV. The City of New York, for example, is using television in training courses for municipal employees. A political organization could use CATV to train its workers in canvassing techniques or in voter registration. CATV can help a police department talk to all its men, or a school system talk to its teachers. These uses could be open to all to see or else scrambled and perceivable only to the persons involved.

Today we can only speculate how CATV may come to be used in public affairs. One thing sure is that it will be used, and in ways that have not even been considered. A severe restriction, however, will be money. In whose interest is it to pay for putting public affairs on CATV?

Some programs will be paid for by government as a means of communicating with its citizens. Some programs may be paid for by government in its public service role, just as government now supports public television. Some programs will be paid for by civic and pressure organizations with a message. The costs for at least some kinds of programming can fall drastically. Those who have studied the matter talk of rates of $20 or less an hour for cable rental. Production costs, being very much higher, may be the limiting factor. Use will, of course, be made of expensive, well-produced movies that will be shown over and over again, justifying their cost. However, what we described earlier as the endless look show, will have to be produced at costs scarcely above the cost of one man and tape.

Clearly, very few political or civic organizations will want to support a channel in any one locality at their own expense. Even at one cent per day for each receiver, in a 20,000-home system, the cost of a

channel comes to $73,000 per year. If subscription fees paid half of that cost, the channel cost would still be $100 a day. At that level of cost, most civic and pressure groups would want to buy channel time now and then, though a few private groups might be able to afford such expense in some locations continuously, and others could raise funds with the help of CATV itself. Even if most political groups would only be buying occasional hours, the growth of public affairs channels will involve the development of much very cheap and therefore very simple programming.

Is there an audience for this kind of artistically low-grade though useful public affairs programming? Will there be audience enough to justify even $100 a day? The best prediction is a mixed one. The audiences for public affairs channels will undoubtedly be tiny by current television standards. But that is no tragedy. Consider the city council or the United Nations on the screen hour after hour, week after week. The citizen who has watched it three or four times a year will have acquired a better understanding of how his government runs. He does not need to watch <u>every</u> week to learn something. So, too, an adolescent growing up who has had the opportunity during his formative years to obtain a clear picture of Congressional hearings has gotten something valuable even if he does not become a regular viewer. Just as it is important that the library is there even though not everybody is using it all the time, so it is important to have the operation of the government channel there ready to be looked at by the citizen when he wishes. He will know that he can turn it on occasionally, when issues become hot.

Furthermore, among the various tiny audiences of CATV channels there will be the organized ones. In political life one organized person

is worth many casual viewers. Suppose 100 members of a conservation group watch a live helicopter survey of smokestacks belching smoke over the city. If these 100 people have responded to the newsletter of an ecology society which told them when to watch, and if they are then ready to write letters or phone their protests to the offending plants, they and that program are a powerful force indeed. Increasingly one may expect organized audiences to be the most extensive consumers of channels, though also the least numerous part of the audience.

How many channels can public affairs programming use? There is no easy answer. The number of channels will probably increase as a growing number of organized groups learn to use public affairs programming in specialized ways. One could imagine as many as four channels supported by government agencies in a major city. One could imagine a similar number being used by public affairs and political groups in a normal evening in a middle-sized and only modestly politicized city. But, the demand for such channels is very price elastic. Our assumption here is of a modest price such as would have to be charged by a contract carrier, rather than either a subsidized price which would quickly fill many channels or a price similar to that of current air-time (which would lead back to political reliance on short spot announcements and an occasional ration of free public service time). Somewhere in between is a wide range of possible numbers of channels demanded. The estimate is sensitive to the size and character of the city involved, to price, and to the level of understanding of the capabilities of CATV.

B. News Services

Periodically since 1959, Roper Research Associates have polled the American public about their relative use and dependence on the different

media. They have asked from which medium people get most of their news, and if there were conflicting reports on radio, television, magazines, and newspapers which of these they would believe. By the end of the 1960's television had become the American public's prime news source as reported by themselves in answer to those questions.[1] Other questions still establish the primacy of newspapers in the delivery of local news, and perhaps in total quantity of news conveyed. Other surveys also showed that the most informed part of the public continues to use newspapers more. But while the media organizations may quibble over question wording, no one can deny that television has become a vital part of the information stream for the American people.

Clearly, if CATV produces any major changes in the way in which news is reported by television, that will be one of its main effects on politics. Is it likely that CATV news reporting will improve over current practice; or conversely and more ominously, is it possible that CATV will undermine the news services that the three great networks have now built up?

There is reason to be concerned that the fractionation of the audience will destroy the economic basis of the networks, and that they will no longer be able to support their present expensive national and worldwide live news coverage. The news services, it is often alleged, operate at a loss and are run by the networks to protect their profitable entertainment operations from regulatory assaults. If it is true that news is a propitiatory offering to the gods at FCC, then it could well be abandoned

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1. In November, 1968, 44 per cent said they would believe television in case of a conflict, and 21 per cent said newspapers. In mentioning main sources of news, 59 per cent included television; only 49 per cent included newspapers.

when it no longer served that purpose. What we must examine is this dire prediction that CATV may undermine the American public's most important news source. Is this a real danger or a myth?

Let us start by considering the present economics of the network news services. All three networks decline to reveal any of the essential figures. The authors of this paper wrote the three networks requesting basic information. The only dollar figure given is the statement that the News Department of NBC has an annual budget of roughly $100 million. Our estimates are therefore all secondhand, hearsay, and only moderately reliable.

The CBS news budget is variously estimated at $40 to $50 million. The NBC and CBS figures are, however, not comparable. The NBC budget includes sports, which in CBS is a different department, and the local news budgets of the NBC-owned radio and television stations. In 1968, the ABC news budget was estimated at $33 million. A rough estimate of present news expenditures of the three networks (not including sports or local activities of stations) would come to around $150 million.

Whether the networks make money or lose money on their news operation is virtually incalculable. It depends very much on how one allocates costs, and it is frequently alleged that costs are allocated in a way to assure that the news operations look like losers. Some of the main news programs are clearly moneymakers, however. Broadcasting magazine in 1968 estimated that the Huntley-Brinkley show netted $8 million on a gross of $28 million. The Today Show in the same year was estimated to gross $11 million. These were the big moneymakers in the news field for NBC. That $39 million may be set against perhaps $50 million which in 1968 might be

roughly the appropriate part of the total budget that might be called news service. Whether incidental revenue filled the gap or not we cannot say. Our basic conclusion is that news must be close to a break-even operation. The networks are fond of pointing out the opportunity costs that they incur when they put news on instead of more profitable entertainment shows. That, however, is irrelevant to the purpose of assessing whether news as now handled could survive in a CATV environment. Absolute profitability must be estimated, and as far as we can tell, that is marginal.

The manpower used to sustain the network news wervices is somewhat easier to document than are the budgets. In 1971, the employees of the three news departments number: NBC, 1,200; CBS, 800; ABC, 510. (We must point out that NBC includes more activities in this department than CBS.) ABC gave a careful estimate. About 65 per cent of the 510 employees in the department work on producing the daily news, special events, public affairs and documentary programming, i.e. about 330 people. Applying similar criteria, it would seem that the three network news establishments must employ some 2,000 people.

For the world news, NBC has 17 overseas bureaus, CBS 11, and ABC 9. They employ 100, 120, and 63 persons, respectively. Thus some 280 of the 2,000 news people are posted abroad.

In contrast to print journalism, in which a low-paid newsman with pencil and pad is enough to cover a story, TV picture coverage is very expensive. It costs about $1,000 a week to field a three-man crew, the minimum that can handle the job under present practices. This figure is independent of the costs of film or tape handling and long distance transmission.

Such costs are manageable only because, in the main, TV presents only "the front page." If TV had to fill the newstime of full-time news channels, the costs would rise markedly.

Unquenchable need exists for something like the present networks to provide daily film coverage of the top visual stories of the moment: was, floods, sports events, elections, riots, and leading public figures. Only something like the networks could adequately cover a moon landing, the death of a President, a nominating convention, or the returns on election night. The problem is who is to pay.

So far, the facts that we have adduced suggest a very real problem. For adequate national and worldwide news coverage the networks must survive at least as news services. News is the one function for which their ability at live reporting of reality is essential. So if the networks collapse as profitable entertainment peddlers, thanks to CATV and tape, they may be left primarily as news services. There will be a social need for an expanded and more expensive operation to fill the expanded channel time, but it is not clear that even the present level of operation can survive.

Whether one, or two, or three of the present networks survive, and whether they will flourish or retrench depends upon new patterns of revenue. Who will pay and how much? Will advertisers be willing to pay more than they do now? Will cable franchise owners pay to have a news service? What about pay TV? Will the home owner be willing to pay for his TV news as he does for his newspaper?

In general, our conclusion is that the answer to these questions is a hopeful one. Despite the problems that we have already listed, the economic future of television news is a favorable one. Consider first

advertising revenues. We have suggested that the entertainment part of the networks may be in trouble. If they are, it will be because in a fractionated audience they can no longer deliver 20 per cent of the homes with a single buy. But precisely to the extent that that happens, television news will become a good buy for the national advertiser. News shows are not a bad advertising buy today. If they do not get more advertising it is because there is a still better purchase available. In the long run, news may become the most conveniently available simultaneous national program on which a national advertiser may place his campaign.

Whether cable franchise holders will pay for national and world news and also for processing of local news, depends upon the kind of CATV system it is. In a system in which the franchise holder originates some material or sells advertising himself, franchise holders might well wish to have news on their channels so as to carry local advertising. If much national advertising were carried, they would want a share of the revenue. Where the equilibrium point would be in that bargain between the national news services and the local franchise holder is highly unstable and therefore unpredictable. However, the franchise holder would wish news to be available because his customers expect it. So if advertising turned out not to carry the full cost of national and world news services, some revenue could be obtained from franchise holders themselves.

In a contract carrier system the same interest in providing news would lie with the channel renter rather than the franchise holder. However, in a contract carrier system there would be a question as to which channel renter would have access to which news services. Should there be some (perhaps one or two or three) all-news channels? If so, are other

channels free to carry news from the same sources, i.e. the network news services? This is a complex matter comparable to the question of access to The Associated Press for competitive newspapers. On cable the problem is even more complex, for the renter of a channel for a particular moment has none of the permanence and committed investment of even a weak newspaper. If the national and world news services were to sell film to anyone at any time, it is not clear that stable well-organized news channels could survive. And without such news channels, there would be no one to do the job of collecting, editing, and reporting local news either. On the other hand, if only a very few specialized news channels can get access to news, and the rest are barred by refusals and copyright, then political freedom of expression is severely restricted.

The most likely outcome would be one in which the news services of the major networks which have live current film to dispense, would contract with all-news channels exclusively for their full live service, while other channels would receive Teletype text which announcers could read and on which they could comment from their own viewpoint. In addition, old background film would be readily available.

This is certainly not a completely satisfactory arrangement, but it does have some viability. It takes account of what is often not recognized: that an adequate news processing organization probably cannot exist in a completely competitive market, but requires some oligopolistic scarcity of resources at some place in the system, so that news organizations large enough to do the job can develop. In print journalism we typically find only one or two newspapers in a city. If it were a truly competitive market with every viewpoint having its paper, no newspaper could afford the

kind of features and extensity of coverage that we have come to expect. In a contract carrier cable system the element of oligopoly is only in the world news services, not in the many cable renters. To build effective local news organizations probably requires that the world news services develop partially exclusive relations with certain local ones, giving the latter that edge which would justify their investing in local news collection and editing.

While we thus recognize that some element of oligopoly is necessary in the communications system we also hope that it does not move toward monopoly. Every effort should be made to keep all three of the present networks alive. It is certainly to be expected that a number of specialized news services will develop. Labor unions, partisan groups, documentary filmmakers and others will make material available to the increasingly important and increasingly hungry screen. The print wire services will probably be glad to serve cablecasters too. (Whether they will try to become comprehensive television news services like the networks, we do not know.) But there clearly is a limit to the number of possible full news services. We would guess that something like the present number with a corresponding number of news channels is a plausible estimate of what the system will support. It is hoped that these channels will develop distinctive stylistic individualities of their own while remaining committed, since their numbers are small, to the principle of objective and balanced news reporting. We are not likely to move into a situation in which each tendency with a channel of its own will be able to run a full, though partisan, news service of its own.

C. Advocacy

Although television has been a growing factor in political campaigning for a generation, we know relatively little about its impact on voting decisions or even on voting turnout. Cable television is a newer phenomenon, and its political usage has barely begun. Whatever the political potential in cable communications, we can do little more than conjecture about the forms that political campaign usage will take, or their impact. At the outset, we will make certain hypotheses about the potential impact of cable communications, and then discuss them.

1. To the extent that cable permits the reaching of specialized and selected audiences, it may reduce some of the present pressures for political time on commercial over-the-air broadcasters.

2. To the extent that cable fails to reach mass audiences or does so only occasionally, politicians will continue to seek means of reaching large numbers of persons through over-the-air broadcasting, sports or other special events on cable, or wherever the attention of potential voters can be caught. This means continued use of spot announcements.

3. To the extent that cable is used, there will be significant costs for production, promotion, and interconnection, apart from any time costs that may be charged.

4. There have been no known time charges for political uses of cable to this date, and if that precedent

were followed as cable incidence and capacity expands, there will develop significant restructuring of political campaigning for certain categories of candidates in a free medium. For them, cable can reduce the need for mail and other means of advertising directed at specific audiences.

This latter point is important at a time when the costs of political campaigning are high and there is legislative and public ferment about how to cope with the problems of financing politics.

In 1968, political costs at all levels for candidates and committees, in primary and general elections were at least $300 million. What the costs will be in a decade or a generation, when cable may flourish cannot be predicted. But campaign techniques may well be different, some old techniques may be at least partially displaced, and the cost components of politics may well vary from the present.

In 1968, political broadcast expenditures were $58.9 million. The outlay represents all network and station charges for both television and radio usage by candidates and supporters at all levels for both primary and general election periods. If average production costs and agency fees of only 20 per cent are added to the total broadcast expenditures of $58.9 million, the cost of broadcast advertising was approximately $70 million. To this figure, must be added the cost of "tune-in" ads in newspapers, and other promotion expenses.

Thus at least $75 million, one-quarter of the estimated total of all political spending, is directly related to over-the-air political broadcasting, making it by far the largest area of political expense. If one were to add in allied costs -- travel to the broadcast city, speech-writing and other such planning and preparation -- then a total of 50 per cent more than time-costs would not be unreasonable, making broadcast-related expenses as much as $90 million.

In 1968, newspaper advertising costs for politics were at least $20 million. This figure represents a projection from a survey limited in size and scope, but permitting extrapolation because both the universe and the limitations are known.

Nationwide costs for other political printed matter -- for billboards and posters, for mailers, for handouts -- are not known. Adding the broadcast and newspaper projections, and other media expenses, at least half and probably a good deal more than half of the $300 million estimated to have been spent in 1968 went into media advertising costs.

Candidates compete against much more than the opposition. Candidates of the same party compete for nomination. Candidates and committees of the same party, at different levels, contend against one another for funds and for the attention of the electorate. Candiates and parties, too, have to defend their positions against powerful pressure groups with large budgets. Candidates and parties are also in competition with commercial advertisers possessing large budgets for advertising on a regular basis.

Our system of elections, then, creates a highly competitive political arena inside a universe full of non-political sights and sounds, all seeking attention. But the attention span of the electorate is short; focus on politics is easily distracted and needs fresh and constant stimulation. In this world, politics rates relatively low in interest, and what interest there is tends to be diffused among many levels of candidacy and contention.

Thus political costs are high because political effort must be high for each candidate on each ticket, to attract the voter and get him to the polls. At present, the price is rising for those who can afford it -- and it tends to drive those who cannot out of the market.

There are two levels at which cable communications for political campaign purposes must be considered: the present and the potential.

Traditionally, the politician spends money campaigning where he thinks the audience is -- this is one reason why television is chosen and also is why broadcasters can charge high rates for political usage. Often, campaigning on television is the most economical way to reach large audiences, and the cost-per-hundred may be relatively low. To maximize audience, a spot announcement usually is preferred: about 75 per cent of the money spent to purchase air time for politics is spent for spots or network participations. Spots reach people who do not actually want to see or hear the message. For a candidate, name recognition is very important, and spot announcements usually help provide that.

This advertising strategy is confirmed by broadcast surveys that show audience loss for longer political programs. The broadcasting industry reiterates this point often, and some stations will not sell program time if there is risk of losing the evening's audience. With the exception of a relatively small group of activists, politics does not have a highly motivated audience. If the political span of attention is short, the spot or the five-minute program is preferred to the fifteen-minute or half-hour program, even though the latter may be cheaper to buy.

These considerations explain why UHF channels and public or educational channels have only rarely caught on as important political media -- and the same could apply to cable presentations. UHF and public television today provides selective audiences, and time may be provided free, but politicians are often reluctant to take the time if a substantial audience is not guaranteed. If the money is available or the candidate is willing to go into debt, he may prefer to buy time to reach large audiences rather than receive "free" time that reaches only limited audiences, and at significant costs for programming and arrangements.

Yet if free time promises to reach significant audiences, it may be used as it was in 1968, when the general election campaign marked the first time that the messages of both major party Presidential candidates were carried over cable, free. The National Cable Television Association had invited the three major candidates to utilize cable when possible. It also urged all cable operators with program origination facilities to make equal time available, at no charge, to all political candidates - national, state, and local. Both the Nixon and Humphrey campaigns made organized

efforts to solicit cablecasters to present their candidates. The Nixon campaign reported that 415 systems with a potential audience of 4.7 million people carried the Republican material, while the Humphrey campaign reported that 303 cable systems representing a potential audience of 3.5 million people carried the Democratic material. The Wallace campaign supplied some materials to a smaller but undertermined number of stations.

The Republicans circularized some 500 CATV systems and 65 multiple-system owners, enclosing a post card for response. A letter was also sent to the party county chairmen for each area where there was a CATV system, asking the chairman to urge the system to participate. Follow-up letters were used. At least 415 CATV systems agreed to participate in the program. A later survey indicated that the participating CATV stations showed the Republican program an average of three times, and all showed it at least once the day before the election.

The Democrats reported that their two half-hour programs -- "Because it is Right" and "The New America" -- were distributed and shown during the last two-and-a-half weeks before the election. As far as is known, there were no air-time charges for the Presidential political messages for either party. The Democrats reported that their CATV operation costs were as follows:

97 films at $40 including mailing	$3,880.00
113 Ampex Video Tapes (including mailing)	4,745.38
Secretarial salary (estimate)	300.00
	$8,925.38

Expense money was partially provided by the Democratic National Committee and some funds were raised by individual contributions from some cable operators. Since the two Democratic programs were not specially produced, but were just copied on film and tape for use on CATV, the actual production costs of the programs are not included in the reported figures. The Republicans did not report the costs of their CATV effort, but are known to have spent about three times as much as the Democrats.

Cable operators are not required to keep logs setting forth programming, as air broadcasters are. Accordingly, the FCC's 1970 Survey of Political Broadcasting does not cover CATV, so no national inventory of either paid or sustaining time, apart from the Nixon and Humphrey data, is available. FCC action on logs is pending, and by 1972, FCC questionnaires will surely be sent to CATV operators, and the results incorporated into future surveys.

Surveys of political usages of cable at other levels would reveal the following examples:

In 1968, the systems in Greensboro, North Carolina and Farmington, New Mexico made extensive presentations of candidates and incumbents ranging from Congressmen to city officials.

Congressional candidate usage in San Diego, California, and in various systems in Pennsylvania.

The cable system in Newport Beach, California, invited 30 candidates to appear live and unrehearsed, and all accepted.

A Honolulu system offered 30 minutes to any candidate running for election in the districts covered, and drew more than 50 aspirants for public office. The system met its offer economically by using one black-and-white TV camera and a zoom lens -- equipment costing the operator less than $2,000.

A significant advantage of CATV is that it enables a candidate to select his audience without incurring the uneconomical expense of multi-constituency media. Multi-constituency media are not confined to metropolitan areas alone, though their effect is felt particularly in high-cost media areas such as New York City. The NYC channels cover at least portions of about 40 Congressional districts in parts of New York, New Jersey, and Connecticut. Obviously, a candidate for the House of Representatives will not find it economical to purchase air-time to reach audiences most of whom cannot vote for him. A state-wide candidate in New Jersey who wants television exposure must buy time on NYC or Philadelphia channels, knowing that he is throwing away 75 cents of every dollar. The NYC audience-overlap creates problems for the stations, too, if they want to serve the communities they reach even on a limited basis say for state-wide offices. In the general election period in 1970, there were eight major U.S. Senatorial campaigns in New York, New Jersey, and Connecticut, and five major gubernatorial campaigns in New York and Connecticut. (In the New York and Connecticut U.S. Senatorial campaigns, there were also major third-party and independent candidates requiring time.)

In varying degrees, the problem exists in other areas: candidates in New Hampshire and Vermont buy time in Boston; candidates in Delaware buy time in Philadelphia or Baltimore; candidates in Maryland and Virginia buy time on Washington D.C. stations; candidates in Kentucky buy time in Cincinnati, Ohio or Evansville, Indiana, or in Charleston or Huntington, West Virginia; candidates in Gary, Indiana buy time in Chicago.

And so it goes. Only in Alaska and Hawaii do the air signals reach only potential voters.

Most American communities do not have their own television broadcast facility, but every community has elections of local public officials. More than 500,000 public offices are filled at regular elections in the U.S., and in addition, there are primaries for many of these. The bulk of these positions are in constituencies too small for reasonable use of telecasting. But almost all constituencies could be reached by cablecasting at low cost.

CATV is presently characterized by a large number of small operators. Furthermore, the technology of cable allows separate cablecasting to different neighborhoods. Wherever a system exists, there will be political candidates who may want cheap exposure to selected audiences. On the other hand, the economics of the small systems may mean that many would find it hard to support their own origination and programming. The FCC has taken note of this problem in requiring origination of only those systems with 10,000 or more subscribers. Assuming that the economics of origination can be solved even in smaller systems, the large number of operators also means that there are large interconnection problems for national, statewide, even Congressional district campaigns; and in major cities for citywide campaigns.

With CATV, the costs of delivering the message will be less because competition for scarce resources -- television, newspapers -- will decrease. The candidate for a state assembly seat would not buy expensive time on a city-wide television or radio station, or space in the central-city newspaper, if he could reach his constituency at low cost through a cable system that can deliver his mesage mainly to those voters who can vote for him. Other means of reaching pinpointed audiences are available, including mail or organizational means in door-to-door contact. But the evidence is strong that visual presentation is preferred where it can capture the attention of an audience. The candidate may want to combine visual presentation with organizational delivery of audience. Thus he would want the services of the local party system, or of a personal following to promote his appearance on cable, for the key to the use of CATV is whether there will be an audience. Attraction of audience is, in fact, exacerbated by the greater diversity of channels.

One way to attract an audience might be to set aside a channel exclusively for politics during a campaign period. The ability to present visually all candidates on a ticket makes a party or neutral political channel functional as a desirable means of giving the many candiates at least minimal access to the electorate. Cable permits audience-segmenting so that the candidates in any given political jurisdiction can be switched in and out in a meaningful way for the viewer, who would see only those candidates for whom he could vote. This ability to structure the presentation the way the viewer's ballot will be structured is a unique feature of the

low-cost delivery system that cable provides. The large number of channels that cable will provide will permit a structuring for political presentation that could not be contemplated with the limited number of VHF and UHF channels.

A future potential of advanced CATV systems could be to permit candidates to reach special target groups. In a cable delivery system with selective coding capability, service could be directed to minority and specialized interests in meaningful administrative or legislative districts. It would permit various communities to be reached selectively, giving ingress into homes with selected socioeconomic or demographic characteristics. This would encourage efforts to reach selected segments of the electorate through cable rather than through present methods (including computer mailing; canvassing, whether by personal interview or by telephone; or through organizational means).

Campaigners could computerize information in more sophisticated ways than selected mailing lists that now reach target groups. Computerized information for coded addressed cable systems will be derived from census data, from credit bureaus, credit card organizations, magazine subscriptions, and drivers' licenses.[1] Applying this information would permit the transmission of specialized appeals to specialized groups. This could cause greater attention to be paid to interests that are essentially local or narrowly specialized.

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1. Herbert Goldhamer (ed.), The Social Effects of Communication Technology (Santa Monica: The Rand Corporation, 1970), p. 14.

Whatever means of cable communication are utilized - whether for mass or specialized or selected audiences, whether time is purchased or provided free by cable operators - there will be the added costs of production and promotion for the candidate or party. Once a master is produced, however, duplicate spot announcements can be produced for between $2 and $5 a piece, and half-hour tapes for between $30 and $100 each. These costs seem low but, in a state having scores of cable operators, many films or tapes are needed if an effort is made to present material simultaneously across the state. Distribution of the films is also a consideration. Although hand delivery is costly and mail delivery less expensive, the latter may present time and scheduling problems.

A single live program can be interconnected, as the Nixon telecasts were on a state-wide or regional basis in the 1968 campaign, but there again there are production as well as interconnection costs. Nixon had ten live telecasts. Costs for each of these, not counting time charges varied from $11,000 to $27,000, and consisted mostly of expenses in set-building (such as theatres-in-the-round) and in interconnecting the various stations. These figures indicate the kinds of costs related to cable where extensive production and/or interconnection are involved.

Another example of production and connection costs is derived from an experience in 1970, when Florida pioneered in a "polititthon '70'". On the night of October 28 a state-wide network of educational television stations carried live a four-and-a-half hour presentation of the candidates for Governor, U.S. Senator, the State Cabinet, and the Public Service Commission. A $25,000 grant from the State Department of Education paid for the costs, mainly for interconnection, and the candidates got prime exposure free. This suggests potential usage for cable and also for government subsidization or assistance.

Government assistance in production may also be available in other forms. The U.S. Senate and the House of Representatives each provide studios for producing video tapes, films, and recordings. These facilities are used mainly to prepare programs in the form of weekly reports for incumbents to send to radio and television studios in their constituencies. Members sometimes use the facilities to record endorsements of non-incumbents and thereby assist others on their ticket. But mostly the facilities are used by incumbents, giving them advantage even if not used during campaign times, in that they help the incumbent become better known. In recent years, several Congressmen have taped programs for distribution to CATV systems in their districts. State governments and city halls could provide similar facilities.

With the potential of numerous extra or free channels available for community or public purposes, consideration could be given to providing a channel to each of the two major political parties. The channels could be available only during specific prenomination or general election periods, or they could be available permanently. In the latter case, party channels could substitute for the party press which is found in other democratic countries but never developed in America beyond the early years of the Republic when all newspapers were party-or faction-oriented. The cost of running a channel on a year-round basis probably would be prohibitive for the parties, and would require imagination and resourcefulness they rarely evidence. It has been estimated that delivery service would cost about one cent per day per household, and in addition there would be origination costs. Assuming a party committee sought to reach one million households for a two-month period, say from Labor Day until Election Day,

the cost of carrier service alone would be $600,000. Unless cable presentations displaced all other types of campaign advertising, and became the basic campaigning medium for all candidates on a given state or local ticket, such high costs would hardly be feasible. Buying a few hours of such service now and then and several hours just before Election Day would be relatively inexpensive, particularly if the cablecast presented more than a single candidate or more than a few candidates at the top of the ticket.

Providing a channel to each of the major parties would raise numerous questions about treatment of minor parties or candidates, and how to satisfy the campaign informational needs of independent voters who would have to keep switching from channel to channel to get a proper balance of information on which to base a voting decision. Of course, if sufficient channels were available, the minor parties and independent candidates could share yet a third channel. Various definitions of "minor party" exist in federal and state laws however, and proposals regarding air broadcast time and government subsidies for political campaigns could be applied to the cable situation.[2]

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2. See, for example, Roscoe L. Barrow, "The Equal Opportunities and Fairness Doctrine in Broadcasting: Pillars in the Forum of Democracy," University of Cincinnati Law Review (Vol. 37, No. 3, Summer, 1968), pp. 447-549; and Voters' Time, Report of the Twentieth Century Fund Commission on Campaign Costs in the Electronic Era (New York: The Twentieth Century Fund, 1969).

Still another possibility exists in staggering telecast hours for given offices so that viewers could switch from party to party to minor party channel to get information about candidates for specific offices. A more promising possibility exists in providing only one political channel and asking the League of Women Voters or some other independent group (such as Citizens Union in New York City or the Committee of 70 in Philadelphia) to supervise the use of the channel to assure fairness to all major and minor parties and candidates. If the League or other groups could not afford to supervise the systems, then a portion of the operator's profits could be required by law to be set aside to go toward establishing an independent office to serve that purpose. Another possibility for funding an independent group would be to assess all the parties receiving time, or to set aside say one per cent of the gross receipts of every political fund-raising event occurring within the jurisdiction of the cable system.

One useful type of programming over cable would be televising the candidate's night programs like those of the League of Women Voters in which the opposing candidates appear jointly in a session that can be probing without the more controversial qualities of a cnadidate debate program. The states of Oregon and Washington mail to registered voters elaborate voter's publicity pamphlets which carry information about the records and programs of the candidates. In Oregon, there are 27 regional pamphlet editions that coincide withthe ballot faced by voters in each area. It would be relatively easy to prepare as many or more visual presentations for cable operators to carry into each home. A number of other states send voters information pamphlets concerning ballot issues, constitutional amendments, referenda, and so on. Any such communication can be adapted for

visual presentation over cable. Similarly, states that now provide sample ballots to voters, or information about when and where to vote, could provide this information to cable operators for visual presentation.

Cable today is primarily a supplementary means to provide satisfactory images. As a substitute for bad reception, it is now found mostly in rural areas. Much can be made of the future of wired cities, but from a political point of view, there is substantial difference between a city the size of New York or Los Angeles and a city ten or twenty times smaller. The largest cities could use perhaps, profitably, 30 or 40 channels; but in a city of 25,000 or 100,000, that many channels would be divided among such small selective audiences that it might not be in the candidates' interest to prepare programs for seldom-watched channels - even if these were provided free of charge or at nominal cost. Without a substantial investment in promotion, politicians might well think that certain cable channels will not provide a large-enough audience to justify the expenditure of their time and energy.

The mass audience of television may become atomized and fragmented if the wired city produces an audience pattern like that on radio, in which there are some stations specializing in news, some in talk shows, some in symphonic music, some in soul music, and so on. One possibility is that with decay of the dominant networks, politics will become once more dependent on effective political organization to overcome the individualistic character of media use. But other possibilities exist. However fragmented the audience becomes, there will always be popular programs, and these will be the ones that politicians will want to use to get their names or message across. Politicians will want access to the channel carrying the popular sports event. Since they determine the regulations under which channel licenses are dispensed, they may retain the right to preempt or

to interrupt sports or other events even if not commercially sponsored.

It is certain that promotion will be needed to point out to potential audiences what political programs will be presented when. In a multi-channel system, there would probably be a directory channel which would carry information on a daily basis as to what information or programs will be available on what channels at what time. Political broadcasts will be listed along with other channel offerings, but because of low-motivation problems, politicians would likely desire newspaper or other types of promotion; these could add another five to ten per cent to the bill.

If cable produces a more fractionated audience, it could lead to more localization of political focus, a topic discussed in more detail in section III-B. If the local cable system serves to demarcate neighborhoods by giving a sense of community to a section of a city or a suburb now mainly dependent on the central city media, then politics could become more decentralized, with less attention to the nation and state, and more to the local. This could occur because cable could have an integrative effect on a locality or neighborhood. In some cases, political boundaries might be reformed, de facto or de jure, to accommodate the cable system. Or alternatively, cable operators could be required to permit cablecasting only to certain blocks or jurisdictions that would conform with present city council, state assembly, or state senate boundaries.

Specialization and localization and the needs for promotion could give stimulus to the revival of local party organization and to grassroots organization of interest groups. Local party organization would have several functions. One would be to organize local cable listeners by promoting the cablecast in various ways, by putting up posters or by phoning neighbors to listen in. Party organization might also have an important role in refereeing time purchases by the various national, state and local candidates all vying for time on local channels. The development of the equivalent of a party press over cable is another potential local party function. A significant effect of localism could be the recruitment of talent into local politics, both as candidates and activists. A kind of participatory democracy could develop around the cable screen, and the party could play a key role. Because there would be more diversity at the local level and more personal interaction at the studio or on the streets, less blandness on the air might result. There might be an accompanying decline in responsibility, but presumably regulation could attempt to protect the public from irresponsible or incitive cablecasting.

With abundant time for political discussion available, campaigns can do better than provide the "cuing of the party label, or established voting tradition, or the consensus of a community."[3] The abundance of channels may offer the media a new opportunity for discussion that could improve the quality of politics. The opportunity exists for "reasoned argument" to prevail where party, class, and community cues are relaxed.

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3. Robert E. Lane, "Alienation, Protest and Rootless Politics in the Seventies," paper presented at University of Maryland Conference on Strategies in the New Politics, December 6, 1970, p.24.

Political communication over cable, with its wide potential and its potential for diversity, can offer reasoned argument in ways that over-the-air broadcasting cannot afford to. The American public should ponder whether it can afford to miss this opportunity for improved political dialogue and participation.

III. PROBLEMS AND POSSIBILITIES

A. Two-way Communication

CATV in the 1980's will undoubtedly still be largely one-way communication. CATV in the 1990's will begin to be two-way communication. That change is as important a revolution as CATV itself. Communications applications in which the individual will no longer be limited to receiving a set of messages chosen by a sender, but can instead choose the information which is sent him from a vast library of materials, are possible. This kind of communication, which may be called "demand communication" in contrast to "mass communication" is illustrated by information retrieval systems. In some hypothetical futuristic information retrieval system, the audience member will address a computer and ask for the current information about whatever is on his mind, be it today's news about the Middle East, the latest FCC ruling, a recipe for cheese fondue, or the price of lamb chops at a particular market.

Bi-directional systems would permit more than the scheduled presentations of propaganda, sample ballots, facsimile mail or newspaper advertising. In the 1990's such systems could create a political demand media, providing the set-owner with the opportunity to request whatever

information he wanted about a candidate or the upcoming election at his convenience. With advanced computerized information systems, the viewer could request the candidate's views on a given subject, and receive them immediately on demand in his home. If the system were plugged into a current events service, or a political research center (whether or not operated by the parties or newspapers or encyclopedia companies), the viewer could seek out information he wanted about past speeches or events in the candidates's life. He could learn what the candidate promised two or four years ago. But these are prospects for the remote future.

The creation of widespread systems of demand communication for the ordinary citizen, however, lies beyond the era of our present attention. Nonetheless, the urge for achieving feedback is great, and various limited forms of feedback from the audience can be expected to begin to appear, taking advantage of the technology of CATV. We postulate that for the first decade of CATV we can dismiss consideration of fully switched systems or of video feedback (as with a picturephone)from many sources, or even of audio feedback by telephone from large numbers of people talking to each other.

The feedback that we anticipate as possible during the next twenty years will be of four kinds: the mails; oral telephone responses from viewers, but only from a sufficiently small number of viewers so that the calls can be handled by a limited bank of answerers at the other end; video feedback from one, two, or three locations in the field; and digital feedback. All of these kinds of feedback have considerable political potential.

Digital feedback means that the viewer can push a button on his set or tap a code on his touch-tone telephone, and thereby record some simple coded message into a computer at the other end. The message may be a vote on a public opinion poll, an order for a product that has been shown on the screen, a pledge of a campaign contribution, or any such simple record - with or without identification of whose button was pushed. The message can go back from the viewer either over the same cable as brings the TV picture, or over the home telephone. The extent to which digital feedback becomes a common feature of the CATV system will make a great deal of difference in the ways CATV is used in politics. The most common science fiction notion about the use of digital feedback in politics is that of the instant referendum. The notion is that the ancient dream of direct democracy in which the people themselves vote on the issues instead of merely periodically choosing representatives, can at last be made a reality. This is sheer fantasy. It rests upon a total misunderstanding of the legislative process.

The essence of the decision-making process, whether in the Congress or in private life, is division of labor and allocation of time. The Congress considers thousands of bills a year. Almost all of them are highly complex with consequences that turn not only on the broad statement of purpose, but on the details of verbiage and punctuation, and on the precise administrative mechanisms provided. On most bills the crucial vote is not the final vote for or against the bill (for on more issues than not there is a broad consensus on the need for some action), but the prior votes (often in committee) on matters of detail never covered in the press, yet decisive in determining the social consequences of the

action. The process is far too complex even for full-time congressmen to keep track of it, much less a citizen in his leisure time. What congressmen do is specialize. Any one congressman is an expert on a small range of subject matters. For the rest he casts his votes by following the guidance of others whose general philosophy he shares and who have in the past proved trustworthy guides to him.

Once one has given thought to the legislative process it becomes immediately obvious that it cannot be replaced by a referendum process. The chance collection of citizens who happen to look at their TV screens at a particular moment could not conceivably consider even one issue a night seriously, much less scores or hundreds. Furthermore they won't want to; they may be happy to answer a quick poll question as to whether their economic condition is better or worse than last year, but most certainly don't want to learn what the issues are in the alternative welfare plans. Clearly, any instant referendum scheme is so destructive as to be inconceivable.

Referendum proposals that have some validity are those which might allow for one or two major issues to be submitted to the electorate after extensive prior analysis and discussion. We are not taking a stand against referenda. The kinds of referenda that do make sense, however, have little to do with CATV. They are well prepared. The issues put up for vote are important ones, so voter attention can be obtained, but costly campaigns pro and con are required. Voting is a major event, and so there is no particular reason why it should be done by pressing a button in one's home.

The fact that CATV is not likely to be used for official referenda does not preclude its being used for public opinion polls. It will not be used for serious polls because the self-selected audience is not a good sample. However, one can well imagine a pressure group organizing a "people's referendum," using digital feedback on CATV for the purpose. Also, a nonpartisan public affairs program might end up by encouraging people to express themselves by pushing buttons to indicate how they lined up. It is our belief, however, that these more or less inevitable uses of CATV will turn out to be rather minor entertainment gimmicks without much impact.

Propagandists could, undoubtedly use digital feedback to create the image of a ground swell of opinion. For example, the mere demonstrated fact of having a high rating for a public affairs program could have some persuasive impact on a politician, just as it does today in the rare instance when it happens. Also, a politician might be influenced if after a genuine and apparently fair presentation of the issues on both sides, he were able to ask his constituents which side they agreed with. One can imagine congressmen putting on programs of that kind to establish rapport with their constituents.

While CATV is not a useful device for the conduct of public opinion polls, it is a superb device for copy testing. It lends itself well to learning how the public reacts to various ideas, themes, or issue presentations. One may expect that the national committees and other political organizations will try speeches and spot commercials on some sample population via CATV and will ask for some kind of feedback, e.g. by having people vote between alternative presentations. CATV is already being used commercially for copy testing by splitting a community onto two cables and presenting different ads on each. The same kind of capability will be useful to politicians.

Digital feedback will also be a useful device for politicians who wish to create a sense of personal relation to their audience. One can well imagine a congressman talking to his district and saying something like, "We took up three issues this week; the SST, rising prices, and the war in Viet Nam. Which one would you like to hear me talk about now? Push button one, two, or three and let me know." Conceivably, skillful use of such interaction could turn a speech into something more like a dialogue. On the more conventional side, a congressman could say, "If you want a copy of my speech on George Washington, push the little red button and I will send you one."

If one moves beyond mrer digital feedback, the possibilities of personalization expand. Coffee parties could be simultaneously arranged at five, ten, or twenty homes in the community, each with an open phone line to the candidate in the studio. He could talk, answer questions (addressing the questioner by name), listen to comments and complaints, and in general try to behave as he would if he were at the coffee in person. Similarly, a mayor on the screen could carry on conversation with several city officials with the general public as the audience. The show's effectiveness might be enhanced if there were a TV pickup at one or two of the remote office sites, so the public could see both ends of the interaction.

In the 1968 Nixon campaign, 88,000 persons were invited to "speak to Nixon-Agnew" through tape recordings about the problems uppermost in their minds. At major campaign headquarters or at rallies, a citizen could speak into a microphone to record a tape, which was funneled to the Response Center Coordinator in the Division of Participating Politics in the Nixon-Agnew organization. There a robottyped "personal letter of reply" from one of the candidates was triggered. At major campaign headquarters, an audio response with the voice of Nixon or Agnew was given immediately to any of a number of precoded questions a citizen could seek an answe to. Cable could execute programs such as this.

The Nixon campaign in 1968 also operated another program with great potential over cable. This was an attempt of the United Citizens for Nixon-Agnew to recruit five million "commitments" of volunteers to help elect Nixon. "Commitment cards" were distributed, but similar

appeals for volunteers could be carried over cable to millions of homes; with bi-directional signals, the viewer could respond immediately from his home, and his commitment would be recorded.

More immediate usage may be to communicate with party or campaign workers, to serve as a pep rally, to kick off a registration or fund-raising drive, or to send down instructions for election day activity. In many ways cable's potential seems great as an inexpensive substitute for closed-circuit television. There are any number of political uses of closed-circuit, such as those linking various cities for simultaneous fund-raising dinners or events, events such as the McCarthy Day rallies in 1968, or inspirational hookups to various committee or headquarters staffs across the country or around the state. Of course, the opposition could tune in, so strategy sessions would not be held openly, except with the use of scramblers.

Another important campaign activity is the registration of voters. With a bi-directional system, registration could be brought into the living room, and the formalities accomplished at once, if the law allowed it. This could be accomplished on a channel allocated to the city government, or on any channel in a common carrier system.

The advent of the 18-year old vote may lead to new modes of campaigning for that vote. It may become desirable to reach students on campus. Since universities are planning to have internal wired communication systems, cable may be a means of conveying political messages to students in auditoriums, at meetings, at fraternity houses, or in their rooms. Cable could also be a means to instruct students on registration procedures, requirements for absentee voting, and so on.

There is potential here for uses other than by candidates and political parties. Interest groups, too, could attempt to reach their members and sympathizers through the use of cable. Labor union political committees, trade association committees, ethnic group committees, peace groups, gun lobbies could all reach homes in given areas where concentrations of their members reside.

Conceivably, the biggest effect of having digital two-way communication on CATV might be its effect on campaign financing and its effect on financing political movements in general. An effective pitchman saying "We need money; push the button once for every dollar you are willing to give," might raise an extraordinary amount of money. Impulse giving is far more generous than what people will give if they have a chance to cool off. There is no way, at this time, to estimate how much money that kind of appeal might produce. However, if channel time is priced reasonably in terms of cost, there is no reason to believe that a pitch will not bring in substantially more than it costs to put it on. If so, the screen may well fill up with fund appeals. Political parties may find themselves more dependent on charismatic pitchmen than on a few rich men.

The registering of instantaneous reactions made possible through bi-directional cable brings some disadvantages. Immediate feedback gives the candidate the opportunity to recast strategy, speeches, or appeals according to the responses given. Such responses, however, may tend to be impulsive, not based on considered and balanced thinking about the subject. There is some danger that the amount of serious and reflective political discussion might be reduced by instant feedback or if politicians play to the more easily swayed, volatile segments of the population.

Feedback can give the citizen a better sense of real participation combined with a feeling of efficacy. The citizen could be better informed because visual, personalized channels would be available for his receiving in depth the selected information he wants or may need to perform his duties as a citizen or as an activist. The public official or the politician could be better informed of his constituencies' opinions and therefore might be more responsive. But the potential disadvantages also must be weighed.

B. Localized Audiences

In its cable franchises the City of New York requires that by 1974 Manhattan's cable systems be capable of transmitting simultaneously discrete, isolated signals to at least ten sub-districts in each franchise district. Each franchisee is further required to develop a plan "to divide the District into the greatest number of sub-districts possible, which may be variously combined so as to constitute neighborhood communities, school districts, Congressional districts, State Senate and Assembly districts, and the like..."

The most striking political effect of CATV will be to make television an economic medium for reaching small sub-communities. This political advantage results from a technological limitation, namely the relatively short distance that can separate the receiver from the head-end of the cable. That makes CATV a community medium. As we have already noted, broadcast television today is an uneconomic buy for use in small constituencies since the boundaries of the audience reached do not correspond to the boundaries of the constituency. CATV, on the contrary, will be able to provide service for ethnic neighborhoods, congressional districts, legislative districts, and various municipal districts.

CATV will be a valuable instrument for communities within a city, e.g. a "Model City." (Bedford-Stuyvesant wants to control its CATV franchise.) CATV could help achieve the restructuring of city government in the direction of decentralization.

A particularly important type of community cablecasting is ghetto cablecasting. It is an unfortunate fact of American life that the most distinctive and self-contained neighborhoods are the ethnically defined ones, black ghettos in particular. Cable channels can give such communities a sense of identity and can provide an outlet for their distinctive cultural products. In black ghettos the demand may be not only for their own channels but for their own franchise. A franchise would serve not only to provide media of expression for the community, but also would help foster black capitalism. Either with a separate franchise or without, it is clearly necessary for ethnic communities to have their own channels. Cablecasting on such channels will undoubtedly accelerate the development of community consciousness and community organization.

Indeed, the net effect of CATV may well be the localization of American politics. At present, no medium does a good job of focusing attention on local community problems. TV stations have to serve their total market area which is, typically, a metropolitan area or more than one city. Radio can afford to specialize more, but its coverage is geographically just as broad or broader. The major newspapers are also set up on a metropolitan area basis. CATV may be the first medium to favor community groups. With CATV it will be practicable for persons with local concerns to talk only to their respective neighborhoods, possibly at very low prices.

A neighborhood will not be reached even on CATV without organization. A group opposing a zoning variance, for example, may buy time, but unless they organize their audience no one will be listening to them. Unlike entertainment TV today, there will be no natural mass audience for specialized local cablecasts. However, local audiences can be organized. Local community CATV is not an anonymous mass medium like commercial TV. It is an auxiliary to political and community organization.

Special-interest audiences that are geographically dispersed are not as easily reached on CATV. It is technically possible to provide a channel to physicians or to members of a particular union. If channels are cheap enough the material for a specialized audience could be cablecast throughout the metropolitan area. If one wished to prevent nonmembers from viewing this could be accomplished by the same technology that permits pay TV. However, that procedure would be less economical than one which reached a geographically defined group.

At first glance one can only applaud anything that will advance civic participation in community affairs. There may be however, an unanticipated consequence - the disintegrative effect of community organization on national politics. There are so many forces in the modern world pressing toward nationalization and centralization that it may be hard to find a reverse tendency credible. However, CATV, depending upon its structure, could have disintegrative effects. We must look at the factors working in each direction.

A pessimist might predict as follows: CATV, plus the use of the inexpensive hand camera, cassettes, and video tape, will fragment the audience, depriving the networks of their captive mass audience. The networks will be supplanted by a pluralism of competitive producers. Associated with that development will be a de-emphasis on real-time simultaneity of broadcasts. This will mean that the President of the United States will no longer be able to command a third or more of the viewing public as an audience simply by pre-empting prime network time. Now, when he broadcasts, he displaces a popular program. In the future, when he appears on one of the many CATV channels he will be competing with popular programs. It will become more difficult for him and for leaders in Congress to catalyze national awareness and national sentiment around the great issues of national politics. An already somewhat rudderless nation will become even harder to mobilize and to govern.

At the same time CATV will be breathing new life into local politics which are far less principled and ideological than are national. Local politics are mainly the pragmatic clash of vested interests. Local politics entail a bargaining process largely unrelieved by broader considerations of social costs and benefits. America lived through the consequences of localism in the era of machine politics. Once again local politicians, because they have the ear of their constituencies, will become powerful in American political life at the same time as national leadership is weakened. The Congress and the President will increasingly have to operate by pork barrel concessions to local leaders to achieve anything at all.

To that prediction of doom, the optimist would reply that the revitalization of local politics will bring able young people into the political process earlier, for opportunities in local politics are open to them in a way that they are not in national politics. Out of that re-envigorated school of local politics may well come a more talented generation of intelligent political leadership than we have know recently.

The optimists also question whether the rise in attention to local politics necessarily implies the decline of national political coverage.. Under certain circumstances the President might retain his ability to speak to the nation. The law, for example, might give him the right to pre-empt all or many channels in some situations. Furthermore, the optimists argue, whatever else may happen to the networks they will retain their function as news services. Indeed, with more or less continuous news coverage on some channels, the demand for their news services will grow. Their live coverage of national and world news can continue to keep the citizen aware of the great issues.

Both the optimistic and pessimistic predictions are in a limited sense valid. Both describe, perhaps in caricature, the tendencies that are let loose by the shift from a few channels in over-the-air broadcasting to a plentitude of channels on CATV. The outcome among these tendencies is not to be predicted but to be chosen, and depends on the design of the cable system.

It probably makes little sense, except in national crisis, to permit the President to pre-empt enough of the CATV channels to give him an effective means of mobilizing public opinion. In our free and competitive political system such an advantage for the President would be resented by his partisan opponents, by the local interests he pre-empted, and by the citizens whose freedom of choice he restricted. That clearly violates American conceptions of free politics and free speech.

What makes a lot more sense is to provide the Federal Government with at least one full-time channel on all CATV systems. Time would be divided according to law, with numbers of the Congress having a large proportion of the time shared between spokesmen of the two parties. The time allocated to the Executive Branch would be largely devoted to explaining public programs in health, welfare, agriculture, and similar fields that are largely"nonpolitical". The President, as always, plays a mixed role between executive and advocate, and in his time could properly be used for mobilization on behalf of national policies.

Such a channel or channels could, in what we have described above as a compromise system, be among the public service channels that the franchise holder would have to provide free or at low cost. In a contract carrier system, it would probably be undesirable to give the Federal Government such a price advantage over the other users any more than we do on the telephone system. The Federal Government should pay the low rates involved.

Objections will be raised to what will be called a Federal propaganda outlet. These objections stem from an image of CATV more like that of over-the-air broadcasting than like printing; that image is inappropriate. With few channels and scarcity of access it would indeed bias the political

process to give the Federal Government a channel of its own. But with many channels, objecting to one that is a Federal voice would be rather like objecting to the Government Printing Office. An enormous amount of printed material emanates from both sides of the Congress. Much of it derives from floor debate, hearings, etc. and is technical in nature, but the government must produce it if it is to have a workable relation to its citizenry. So, too, in an era of electronic communication, with plentiful channels, the government can cablecast various of these materials.

To maintain democratic citizen involvement in national and international affairs requires that governmental as well as private institutions have a voice to the public. The process of government is two-sided. The government is not simply a passive reflector of public opinion, nor are the media simply reflectors or critics of the government. Issues are made and national viewpoints defined in Presidential statements, diplomatic negotiations, commissions of enquiry, Congressional hearings, and Congressional debate, all of which are reported in official publications. Issues are also defined in journalistic coverage of these, and in the private voices of criticism and support reported by the media about those public actions. A healthy national dialogue requires that both the voices of the heads of government and of the national opinion media be heard.

How to maintain the health of the national news media in an era of CATV is a matter that we have discussed in a separate section. Suffice it here to note that it is a matter of cardinal importance. Local news handling based on text wire services is not enough to keep public identification with national and international issues in a video era. Live worldwide video coverage is essential. Both for live video news and for a federal channel, it may be useful as we shall note in the next section to have linkage

of CATV systems by satellite. To make it economic and practical to maintain the national political dialogue at present levels or better, this could be a measure of considerable importance.

C. Smaller Cities, Suburbs, Rural and Low-Income Areas

CATV may in some respects increase rather than decrease the disparity between the service provided the top 100 markets where 80 per cent of the public lives, and the service provided for the rest of the population. Perhaps the comparison should be between the top 50 markets and the rest of the population, since substantial amounts of serious local programming are likely to occur almost entirely in the larger cities.

The usual assumption is that importing remote signals via CATV will give the smaller markets a quality of service comparable to that in the main metropolitan areas. In regard to entertainment that is probably correct. In regard to politics and public affairs, however, the reverse is probably the case. The kind of novel community-oriented public affairs programming that we anticipate will be local in its reference and interest, and will not be easily exported or imported.

Suburbia is by definition linked to a city or metropolitan area. The news fare is generally dominated by the central city broadcasters and newspapers, and what local media exist may not be much more than shopping news throwaways. Yet suburbs contain

inhabitants having higher levels of education and income, and these are characteristics that should make subscribers receptive to serious political cablecasting. Thus CATV could help fill a void in news distribution to a politically crucial segment of the population. Reapportionment is providing suburbs with increasing representation in both the House of Representatives and in state legislatures, and the hot suburban political battleground can receive the kind of local programming that the central city mass media could never provide. Moreover, suburban income levels make wide subscribership possible.

Penetration of cable systems into low-income areas is a special problem, but remedies are possible, as other papers in this series note. In terms of politics, it should be stressed that the lowest rates of political participation are found in low-income and low-education areas, and these are where both educational information about how to register and vote, as well as political information about who is running on what programs, are most urgently needed. Insofar as poverty areas get organized by community organizations, cable television offers them an effective new instrument for action.

There are many technologies whereby local cable systems can be linked: landlines, mailed tapes, satellites, over-the-air broadcasts. Each has assets and each has liabilities in regard to cost, simultaneity, capacity, and so forth. These technical questions need not be considered here, but we shall assume that local cable systems will be linked by a mixture of these technologies.

Politically, characteristics of the linkage other than its technology are important. If it is inexpensive to link up all cable systems nationally to hear a presidential candidate live, then campaigning will be conducted quite differently than if it is just as cheap or cheaper to mail tapes around for local origination or if it is cheaper to put local citizens on the screen speaking on behalf of their candidate.

CATV creates the opportunity for local community coverage and interaction on the screen which, by reason of the shortage of channels, over-the-air television does not allow. CATV, however, does not reduce and may increase the options for filling some channels with uniform, nationwide, network material.

Indeed, there is reason to expect some reductions in costs that will be favorable to national campaigns. Bell System long distance land-lines currently are expensive, and sending tapes of spots or speeches to local stations is also expensive in practice, because the reusable tape often is not sent back to the politician. Satellites promise to lower the costs of live long distance communication. Also, there are means whereby national campaigners and other national communicators can put their taped material in the hands of the cablecasters around the country on a daily basis, even if not live. Since the cable systems will be contiguous to one another in densely populated areas it would be entirely feasible to link the cables already laid for the service, thereby creating a long lines grid. Between 1 a.m. and 5 a.m., when many channels will be unused, material could be sent out to be recorded on the cablecaster's tape or cassettes (instead of tapes provided by the politician). The tapes could then be cablecast locally during the day.

D. Community Power

Not since the trolley car has there been a technological innovation with as much impact on local machine politics as CATV. It is a franchise in which the holder of the franchise may become a major influence on elections and politics. The temptations are enormous.

Evidences of corruption are already in the courts. It would be strange if it were otherwise. Characteristically, television station owners are powerful political figures in American cities. Station owners have the power to make it hard or easy to acquire time for political broadcasts. Their public service programming can help or hinder anyone in public life. But television station owners are not chosen locally. They receive their franchise in Washington. Now local CATV franchise seekers appear who want to compete with and perhaps injure the local station owners. Depending on the rules the FCC adopts for CATV, new cable franchise holders may acquire similar power in local politics as the television station owners. If CATV franchise holders are allowed or required to originate programs, they may become the local political powers of the next era. In addition, if the system is not a common carrier, the CATV franchise may be a gold mine.

The CATV franchise holder will be ever more deeply involved in local politics than the typical television station owner now is. He is dependent on the goodwill of local authorities for his franchise. Since the CATV franchise holder must dig up the streets in order to lay cables, or use the poles existing, he knows that a friendly attitude on the part of the utilities and the pone company is a virtual necessity. He is likely to be selling channel time to a variety of conflicting and dissident community groups. The television station owner, occasionally has to make difficult decisions about which partisan groups he will put on the air in accordance with the fairness doctrine, and for how much time and in what way. Often there are complaints,

but the total amount of such conflict over the airwaves is small since the shortage of channels stifles most of the presentation of this kind of material. With growth by an order of magnitude or two in the demand for channel time for controversial uses, the CATV franchise holder will most likely find himself in a constant controversy over terms of access, responsibility, and rates, unless he is operating under a contract carrier system with uniform treatment of all comers.

There are two approaches to reducing the undesirable involvements of the franchise owner in local machine politics. One is to remove the franchising authority to a higher level of government; the other is to put the franchise owner in the position of a contract carrier, and bar him from corporate partisanship. The first of these measures, depriving the local community of the authority to choose the recipients of franchises for local services, runs counter to American traditions and attitudes on local self-government. The other approach, restricting the franchise holder to a strictly carrier function, seems more acceptable.

E. Who May Hold a Franchise

The rules that govern persons who may be granted a cable franchise are matters of great political significance. Franchise holders are likely to be important political forces in their communities. In anything but a contract carrier system these men of great local social and political power will also have substantial influence on programming policy and content.

As a matter of franchising policy, several kinds of persons might be debarred or looked on with scepticism as franchise holders. Among these are partisan political groups. While a channel might be rented to a

political party or political interest group, the person who has the channels available for rent should be presumed to be nonpartisan and ready and willing to serve all parties evenhandedly.

It is a serious question whether newspapers or broadcasters should be assigned CATV franchises. The objections are far less serious in a common carrier system, where the cablecaster presumably has no influence on content. A producer of content for dissemination clearly has a conflict of interest, however, if he also controls other media. The possible facsimile delivery of newspapers complicates the problem because newspapers claim the right to own the equipment necessary for their production and delivery.

There is some question, however, whether a cable franchise needs to be or should be monopolistic. The technical and regulatory issues determining whether more than one cable service can be efficiently and economically offered to the same homeowners are discussed in other papers in this series. This question, which we cannot consider here, obviously has profound political implications. We shall proceed here on the less hopeful assumption that within any one geographic area the cablecaster will be a monopolist.

The largest problem is to assure that the cable system offers diversity of programming and more points of view than are presented by the local broadcasters or newspapers. With clear evidence of substantial concentrations of media power residing with dominant broadcasters or with single-ownership newspapers in a community, the great potential and good of CATV is its promise of greater diversity than most localities now have. Pressures to exploit cable politically will most likely come most strongly, not from the centrists in the two major parties, but from representatives

of the right and the left who see an opportunity for their voices to be heard, and certain civil libertarians who see an opportunity for everyone's voice to be heard. The two major parties may be among the last to recognize the potential for exposure that exists, and the last to bring pressure to bear to ensure that wide political uses are assured. There is little in the history of the two major parties to suggest that they will be enthusiastic about programming that gives equal exposure to all or many minority voices. Candidates of the major parties often seem to prefer to pay their own way rather than obtain free time in ways that produce prominent minority exposure.

Moreover, major party politicians now seem to be playing off the broadcasters against the cablecasters. This will enable politicians or their representatives to extort campaign funds from both groups wanting to protect their own interests. In a competition for funds the broadcasters are wealthier and have a tradition of influence at the federal level. At the local level where franchising occurs, the situation may be different.

Cable television is not without political resources. A Political Action Committee of Cable Television (PACCT) was organized in 1969, and in that year it reported receipts of $33,982 and expenditures of $8,983. In 1970 PACCT reported receipts of $17,058 and expenditures of $30,002. The committee made contributions mainly to members of the U.S. House and Senate Judiciary and Commerce Committees, committees which deal with legislation of concern to the industry.

F. Pricing

If some or all channels are made available for lease to politicians, then the rate that the franchise holder charges them will become an important consideration in the planning of political campaigns.

In current discussions of mixed CATV systems, it is often proposed that channels be provided free for political campaigns and for public service activities. On June 24, 1970, for example, the FCC proposed (not ordered) an allocation by CATV systems of channels, including: at least one for local origination, at least one for free use by local governments and candidates, channels for free use by local citizen groups, leased channels for commercial use, and instructional channels.

Until now, the usual practice of cable franchise holders has been to provide time free to candidates and officeholders, though that might be interpreted as merely a come-on in a period in which cable penetration is not yet high enough to attract many political buyers.

In a mixed system in which the franchiser makes considerable income from advertising and selling of various services, it makes considerable sense to require him to provide public service channels free even though that immediately puts him in the position of rationer and distributor of favors. It reopens all the problems of the fairness doctrine and its administration. However, in an era in which campaign costs are skyrocketing and in which various proposals for public support of campaigning are being seriously considered, to levy an appropriate charge on the holder of a very profitable public franchise makes much sense.

However, in a contract carrier system the return to the franchise holder is much lower. In such a system the burden of the argument would seem to favor charges to all users, with political and public service users entitled to the "lowest unit rate."

The return to a cable franchise holder for the lease of a contract line ought to be adequate to create an incentive to multiply such lines. Any other pricing policy creates incentives to distort the operation of the system in undesirable ways. If the cable franchise holder makes money from origination or royalties on popular commercial or pay-television programs, he has an incentive to keep the audience concentrated on those programs. This would reduce the competing channels to relatively dull, esoteric fare for infinitesmal audiences. He also has an incentive to keep the number of channels down.

We would preduct, though admittedly without any solid evidence, that the demand for political channel time will prove highly price elastic. It is true that politicians with large area constituencies, like other similar advertisers, will often prefer to purchase the most pensive mass media buys -- such as spots on popular entertainment programs. But that is because they deliver large audiences at a low cost per thousand. That will be true also in a CATV environment. If interconnection costs between CATV systems are high, or if the campaign has to assume the cost of negotiating separate buys from each system, CATV might not be attractive to the manager of a state-wide political campaign.

At low prices, on the other hand, vast amounts of political time would be bought. At a zero price or something near it, there is almost

no limit to the amount of channel space that would be requested for politics in major metropolitan areas.

If cable costs are low, a group should be able to raise more money broadcasting fund appeals than it spent to buy the cable time. Here is one of the reasons for expecting the demand for time to be highly elastic. At low prices renting cable time pays because it permits one to raise funds. Under such circumstances there is hardly any reason for not going on cable frequently (especially wealthy and sympathetic communities) and using material for which production costs are low.

In the absence of experience, we cannot prove our contention that the demand for political time would be very large in some places at low prices. However, we proceed on the assumption of a highly elastic demand which would result in very different patterns of political programming depending on whether the price for channels is high or low.

Fortunately, all the evidence seems to be that mature cable systems will be able to lease channels at a profit at prices that are very low by broadcasting standards. We assume that subscribers will pay an original installation charge and perhaps $5 a month as a subscription charge. A 20,000-home system with each home paying $5 a month would collect $1.2 million per year in subscription charges. Assuming a 16-hour day there are 5,840 hours available on a channel. Each 20 channels that would <u>average</u> $10 per hour in rental over the 5,840 hours would produce just about the same amount again ($1.16 million). Costs for a year, using the figure of one cent per set per day, for a system of that size would be just under $1.5 million. Other papers in this series will examine the

economics of CATV more closely, but it seems clear that relatively low hourly charges will produce quite adequate revenues for a franchise holder who assumes no programming costs, once CATV takes hold.

G. Minute Groups; Tele-meetings

At $10 or $20 an hour, or even at somewhat higher prices, the demand to lease channels for political broadcasts can become very great indeed. In fact, all kinds of special-interest groups will find that cable communication can become as significant and useful a media to them as the printing press and the mimeograph machine. For numerous organizations inexpensive CATV offers an opportunity to bring people together in front of their respective screens at the functional equivalent of a meeting. There are various ways to use CATV to gain many of the advantages of a meeting, though not all of them; indeed attention-getting devices must be used or the mild sympathizer in the passivity and anonymity of his home will not bother to watch such unexciting fare. However, if activists telephone their friends to tune in, if contests and rewards are used to capture people's attention, it should not be hard to reach audiences in the hundreds for many activities which today draw small attendance.

One problem will be that all such groups will want time between eight and ten on weekday evenings. The market mechanism will hold proliferation of channels down below the level that could be filled at prime time only. Higher prices at prime time will drive the less passionate users off the screen and the more passionate users into the undesired off-hours. But passionate users to exist. Militants on behalf

of many causes may be expected to operate on a more or less marathon basis, at least in major centers at hours when prices are low. The majority of groups will be hard-put to do one tele-meeting a week, but not so the peace movement, or women's lib, or Jehovah's Witnesses. A number of militant movements may bery well try to carry on almost steady programming even if only one person is viewing. In New York or Los Angeles, one could easily imagine dozens of such dedicated and TV-oriented groups going almost all the time.

It is undoubtedly true that a tele-meeting loses some of the interpersonal impact of face-to-face contact. One will not replace the other. But considering the difficulty of getting people to meetings, the tele-meeting will undoubtedly meet a real need.

One particularly interesting and frightening possible use of CATV with digital feedback is to keep on automatic record of just which sets were tuned into a program. Mailing lists can be made up of the households that tuned into particular programs, enabling the politician to follow up with appeals for funds, or votes, or memberships. Such uses depend, of course, on such invations of privacy not being barred by regulation.

By the standards of contemporary CATV, with audiences in the millions, tele-meetings with audiences in the hundreds may seem mere trivia. But a few such nonconforming programs in each of several thousand localities, add up to a significant breaking-out of the present shell of limited channels. The opportunity for the emergence of many small, but active and autonomous audiences is a matter of considerable political significance.

There is no reason to assume that the organized groups that may be interested in holding tele-meetings will be of any one or limited number of viewpoints. The more active sponsors of such political expression, however, will be disproportionately drawn from the more extreme and intensely committed groups. It is that way with ordinary meetings; it will be that way with tele-meetings. There is one difference, however. Tele-meetings are readily accessible to eavesdropping by the general public. This may have many consequences. Will indignant viewers, shocked by outrageous statements or conduct, be less tolerant of free speech when a meeting comes right into their homes than they are when the same things happen out of their sight? Conversely, how will political activists respond to this situation? Will they moderate their message when they know the audience watching represents a broad range of political persuasions?

H. The Hand Camera and Amateur Production

"Cable television is not the technological change that will revolutionize American politics. It is the cheap hand camera." That is what one of our interview respondents said. It may be an overstatement, but it is true that the two things interact in a very important way. When channels become available, at least at certain times of day, for $10 or $20 an hour, production costs and production quality, not distribution costs become the bottleneck.

Perhaps amateur film-making will be as natural to the next generation of young people as the writing of stories and essays has been for the creative young for the last century. Will the inner-city black who now

might write a leaflet or make a film protesting ghetto housing, someday televise his work? Will the Congressman who now sends a form letter to his constituents prefer instead to let a camerman follow him through his daily routine?

If this optimistic answer has even a shred of validity, then there will be another kind of time buyer of comparable importance to the political organization -- namely the creative group that wants its stage. At the costs we are projecting, there will be hundreds of film-making groups that will raise the small fee required to screen their product on the tube. Some of the films will be political. Some of them will also be good. Experience may be the school for a large group of producers of visual communication. Cinema verite or some successor to it could become a major form of political expression.

I. Equal Opportunity and The Fairness Doctrine

There no longer is question of federal jurisdiction through statute or FCC regulation of intrastate cable systems. At present Section 315 of the Federal Communications Act, the Fairness Doctrine, and sponsor identification regulations do apply and are crucial in consideration of political cablecasting. Should any question of federal jurisdiction arise, it is most likely to affect transmission when local cable functions as an originator of programs. A distinction must be made between programs the cable system originates and the programs of other broadcasters whose signals it picks up. In the latter case, presumably the on-air broadcaster would be observing the "equal opportunity" and

fairness provisions, so the cable operator would carry these programs on the same "equal time" or "as purchased" basis if he was not unfairly selective in what is carried. (Where distant signals were being picked up, the candidates may be in another constituency or even another state, so there may be little local interest.)

Popularly called the "equal time" law, Section 315 is more accurately termed the "equal opportunities" provision. It requires that the licensee giving or selling time to one candidate must provide similar free access, or the opportunity to buy similar time, for any other candidate seeking the same office or nomination.

The Fairness Doctrine is a set of supplemental regulations which the Federal Communications Commission applies to political as well as to other areas of controversy. It specifies that a station presenting a viewpoint on an issue of public importance must provide an opportunity for the expression of opposing viewpoints. However, the Fairness Doctrine allows the station substantial discretion in permitting the appropriate response to the viewpoint, and it does not require equal time, only that adequate reply time be allowed.

The Fairness Doctrine is supplemented by the FCC's personal attack rules. These require that a person being personally attacked must be so informed by the station and furnished with a transcript or a synopsis of what was said and time to reply.

One further rule applies: When a station editorially endorses a candidate, it must inform the opponent within seven days and provide equal time.

If time for campaign purposes is sold on CATV, then opponents would need to be offered an equivalent opportunity. If time is given free, then it would be under an access formula determined by government -- at present "equal opportunity."

Despite the present application of the fairness rule to the presentation of political viewpoints, the question is whether fairness is appropriate if there is no channel scarcity as in on-air broadcasting, but an abundance as is the potential in cablecasting. What fairness requirements are appropriate depend on various aspects of the system. Is there enough channel space to provide access to all who wish it? How reasonable are the prices? Are channels controlled by partisan interests, and if so, are those channels de facto dominant ones, or are there many channels on a par? Until it is clear how the system operates in such respects, it is not possible to recommend any particular fairness procedures as optimal. Further, while federal regulation of cable prevails, licensing is presently a local matter. Elements of "equal opportunity" or the Fairness Doctrine may or may not be specifically written into local franchises in the form of certain requirements demanded by the locality.

The larger question of fairness is at issue in terms of an abundance of channels because, given a large number, there should be more opportunity for overall balance and rejoinder than where the numbers of channels and amounts of time are limited. The more channels, the more diversity, the more inexpensive the time, the greater the opportunity for more voices to be heard. However, on anything but a pure contract carrier system, without application of something like Section 315 or fairness, there would be no assurance that any given voice would ever be heard. On

the other hand, if cablecasting were given common carrier status, enforcement of fairness would, presumably, not be necessary. Channels and time would be available in abundance to anyone or any group capable of paying the minimal charges.

Yet the alternative of applying some standards of fairness or reply ought to be explored even if common carrier status is achieved. Without standards, one side with funds could dominate a campaign or issue while the other side without funds could be blacked out. The problem is not only the costs involved, but the availability of an organized voice on the other side of a given issue; say a voice representing the consumer, the voter, the radical right or left, or even a voice representing the corporation or the government policy being attacked. It is not likely that a state government would purchase time to reply to every local attack. The closest parallel is not on-air broadcasting, but newspaper or magazine publishing. In these latter media fairness is not guaranteed, but under some circumstances very similar practices seem to be necessary. Letters to the editor may be published by a newspaper, or space for a formal reply provided, particularly in media such as newspapers that de facto dominate a market (even if, in principle, competition could come in).

In cablecasting the greatest need for protection would be in the right to reply to a personal attack. Just as government could require right-of-reply, it could also require an electronic equivalent to letters to the editor, a kind of public rebuttal at a given time on a given channel or a given time on a single channel permitting reply to any program cablecast on any channel in the system. Such a weekly feature might attract

regular audiences while providing an electronic soapbox with meaningful potential.

Certainly the protection of candidates for political office is a warranted use of governmental power; one wonders, however, what protection minority candidates might receive in some states and localities. Surely some extension of the "equal time" provision or some new standard such as "differential equality of access"[1] is desirable on a national basis. A strong national policy can assure that cable is used fairly. Such a policy can also assure cable's use as a great national educational resource.

One further suggestion is warranted if the operator is required to provide political time free. Unless special provision is made, the pattern would tend to follow that of on-air broadcasters, each of whom is free to decide for himself which candidates for which offices he will offer free time. If we are to take advantage of the new media potential of cable and to attempt to restructure some elements of political campaigning, then all elective offices on the ballot in the range of the cable system should be presented -- not just the most visible or interesting ones selected by the cable operator. The alternative would be to require the cable system to turn the time over to the political parties for decision as to which candidates at which levels are to be presented. Earlier, we suggested one function of the local parties may be to referee cable-time allocations to various candidates on the ticket, and of course, if there were party channels or some equivalent of a party press over cable, then the party and

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1. See Barrow, op. cit.

not the cable operator would be making the allocation of time decisions.

As noted earlier, party-controlled newspapers are common in other countries, but not in the U. S. In Italy, to get anything like a fair view one needs to buy at least two papers, for each paper tends to bury the activities of other parties in silence. Newspapers in the U.S., while less balanced and bland than the electronic media, do try to do a full reporting job on both sides.

Under cable television, partisan groups (parties or pressure groups) that have cable channels might well become engaged in newscasting. A party or other partisan group with a channel of its own might well find news announcements and commentaries to be one of the cheapest and easiest ways to fill time. It is far easier to set up partisan newscasts than to start a party paper. A party paper must compete for the reader's purchase with a general newspaper if it is to be seen by him at all. The party newscast, on the other hand, is available in the home, requiring only a flick of the switch to get at least a few minutes of attention. There is, therefore, reason to expect the emrgence in this country of partisan dissemination of news. However, the consequences of such party participation in cable newscasting may be less biasing than is a party press, for all partisan channels presumably will be present in every home.

J. Copyright and Libel

Abundance of channels will permit the screening of a wide diversity of tendencies and views. That is one of the blessings of abundance. No longer need the viewer be limited to the circumscribed

moderation of the mainstream, that now necessarily receives the bulk of the limited air time available for politics.

But every blessing has its price. One of the prices is an increase in the amount of irresponsible and even illegal material transmitted. There are certain extremists and inadequately-funded irresponsible groups who, in the case of channel abundance, may properly claim some portion of the ample time available. These individuals may be more likely than established network executives to overstep the bounds which are set by law, even though protected by the First Amendment.

In a truly copious cable system, in which each of 2,000 to 6,000 local operators supplies input to perhaps 40 channels of material 16 hours or more a day, no one will be able to monitor violations of copyright or libel laws.

Obscenity is a different matter. Material that offends much of the community will, unless controlled by scramblers, cause a kickback from irate citizens. The person who is injured by copyright violations or libel is an isolated individual who rarely will happen to be watching at the moment of the offense.

Print media leave behind an indelible trace of the violation. Electronic media do not. Cablecasters could be required to keep an audio tape of all output for a specified period of time. The cost of reusable tapes would not be burdensome if the storage period were reasonably limited.

The locus of responsibility for violations of law is a thorny policy matter. A contract carrier should have an obligation to serve all under nondiscriminatory terms and, correspondingly, should have no liability for what the cable leaser sends out. Unlike the telephone company, which serves millions of senders, the operator of a system with 40 or even 80 channels could be required to keep a record of the responsible person to whom he leased time. Such a record might be useful in enforcing regulations about campaign spending limitations.

K. Free Speech

While free speech is a guiding principle for the organization of any communications medium in a democracy, it is not a simple guideline. The technology of every medium limits who uses it, when, and how. The restrictions are of three kinds: rationing, prices, and conditions.

Pricing or rationing occurs with any scarce medium, whenever there is not enough of it to meet the demand. But as anyone who has studied economics knows, demand is not a number, but a curve. The amount demanded is a function of the price. What, for example, is a copious system of cable television? It is a system with one more channel available than the number demanded. But at what price? If the price is unregulated it will rise to eliminate excess demand. If the price that society judges fair and proceeds to enforce is below the current equilibrium, some kind of rationing will be inevitable.

By conditions for the use of a medium (as distinct from pricing and rationing) we mean those restrictions that do not control quantities

used, but specify who may do what, where, and when. For example, all free speech in our society is conditional on certain laws of libel and copyright. There are also conditions on particular media. Use of the streets by pickets or paraders is confined to certain areas. In the following paragraphs, we shall not consider such universal conditions as the law of libel which apply to all media alike, but rather those conditions arising from the technology of the particular medium.

The ideal image of free speech is of a medium that is unrationed, unconditional, and free of charge. This is the state of affairs for personal influence. No price or special constraints restrict us from talking to each other; but there are few media that are free of such restrictions.

Mail and the print media are generally unrationed, unconditional, but priced. The use of the streets on the other hand is unrationed and free, but it is conditional. In contemporary television broadcasting outside of campaign periods when political time is not sold speech is both rationed and conditional, but without cost. During campaigns speech is rationed, conditional, and priced -- the most restrictive situation of all -- although the rationing tends to be less severe than between campaigns. Radio, on the other hand, has reached the point of copiousness of stations at which, at least at current prices, there is no real rationing of material during campaigns; the candidates can get whatever time they want to buy. What can and should the situation be for CATV?

With all its abundance of channels, a CATV system cannot be like personal influence -- unrationed, unconditional, and unpriced. Perhaps communities exist somewhere in the heart of mid-America where this would

be possible. Those are communities where political life is quite dead, where, if 40 channels were introduced, they could be paid for by advertising and by pay television: but where the cablecaster could not fill 10 channels even if free time were offered. Perhaps there are places where this would be true; it is not generally the case.

Consider rather what the situation might be in New York, Los Angeles, Chicago, Washington, and San Francisco. Let us speculate about what the demand might be if channels were made available at no cost and unrationed to any group meeting the condition of providing at least five hours a day of public service programming. (We leave it to wiser men to define that criterion.) A speculative census of applicants might look something like the following: Several political parties (including the Republicans, reform and regular Democrats, and at least one party to the left and one to the right of the majors; spokesmen of ethnic group (in New York perhaps five black community groups, three Puerto Rican, and five miscellaneous); government agencies (the police, the state and city governments, approximately four channels); protest groups (with their notable factionalism one might expect perhaps three on the left and three on the right); several women's and peace groups; special interest and divic organizations, perhaps half a dozen (including internationalist, conservation, and some forum groups) that would debate a wide range of issues; and church groups (perhaps a dozen when one allows for the various denominations and evangelical movements). That adds up to about 50 channels without branching off from public affairs to educational uses.

We have no illusion that this is a reliable prediction. It would be drastically low if the culture of amateur film-making takes off

as a new wave in a world of modest production and distribution costs. It could be much too high if people learn from experience that they are talking to no one. But that is the best guess we can make. It seems to us that the ideal of an unpriced, unrationed system accessible to all is, in fact, neither realistic nor ideal.

There are, as we've noted, two alternative patterns of access to television depending on the type of cable system. On a mixed CATV system having substantial advertising and box-office revenues, the franchise holder might provide unpaid public service channels which he would have to ration. On a contract carrier system, given the relatively low cost of cablecasting, it would seem that political time, like other time, should be unrationed, unconditional, but priced. At a modest price, use of the cables would become more responsible than if free, and rationing could be dispensed with. If all users were expected to pay the basic costs of transmission we believe there would be no reason to try to formulate fairness doctrines or to decide who could get on when. The revenue generated would justify expansion of the system till it was indeed copious at that price level. On such a system we would urge that there be no restriction beyond the general laws of libel, obscenity, and copyright.

Some differences from the print media are inherent in the monopolistic character of a cable franchise. There must be a regulated ceiling on rates. It should be a flexible ceiling so variable rates by time of day can smooth out demand. We would recommend setting rate levels to yield a public utility type of return, and letting the market determine how much of each kind of content would be transmitted at that price. At low rates political time may not need to be subsidized.

L. Privacy

Cable usage raises questions of invasion of privacy. If cable transmits individualized messages, it is not inconceivable that government or the cable operator could learn more than many would think was justified about a citizen's political proclivities. The situation would be particularly troublesome if two-way signals were in use and the citizen were registering, contributing money, responding to a candidate's speech, copy-testing, or in some way participating politically through his home set. Presumably, the cable operator could record individual responses in such a way that would be an invasion of the citizen's rights of privacy and of secrecy of the ballot, or of political preferences.

For example, a two-way system enables an observer at the head-end terminal to determine what each subscriber is watching, which individual subscriber is responding, and how he responds. The potential for political and for market intelligence is immense. The transmitter could thus identify his interested audience. At the extreme, the potential exists for a political opponent to block out or deflect certain votes or contributions. To overcome these problems would require strong laws and alert voters or contributors. Technology provides means of scrambling as well as unscrambling, and laws or regulations can prohibit both invasions of privacy and interferences. The dangers are no doubt greater than those now existing when the mailman or the bank clerk or the registrar of voters may know something of an individual's preferences. These dangers exist and must be faced up to, else electronic fraud be added to other voter frauds.

IV. CONCLUSIONS

In summary let us emphasize three features that CATV seems most likely to have, and draw four central policy conclusions.

CATV with a multiplicity of channels will be addressing a highly fragmented audience. Much political material will go to small audiences; viewers will receive this material in a form resembling meetings on closed-circuit television, a form very different from today's mass media programming. Most of this type of cablecasting will be supported by the political groups themselves because CATV can be low in cost and virtually nobody is going to pay to receive political material.

In this fragmented environment, audiences will have to be organized. Political grass roots organizations which have atrophied in the era of mass media campaigning and propaganda, may revive in order to fulfill these new organizational and promotional functions.

American politics could become increasingly localized. Local community organizations and political machines may grow, perhaps at the expense of national ones. Public attention should increasingly focus on local problems that CATV will cover well. Conceivably, it might be harder under such circumstances to mobilize the country on behalf of shared national goals.

To guard against any such tendency to weaken public attention on the operations of the Federal government, there should be a Federal CATV channel as part of all CATV systems.

Although it has some drawbacks, the best system of CATV control is, in the long run, a contract carrier system. Under any other system the franchise holder acquires undesirable political influence and conflicts of interest.

Under a mixed system, in which the franchise holder earns advertising and pay television revenue, he might be required to provide free time for politics and public affairs. All charges under a contract carrier system should be regulated to keep them modest. If they are as low as they should be, no special structure of rates is required for politics. Political users could and should pay at these low rates.

In a developed contract carrier cable system there need be no rationing of time. Users should have as much time as they choose to buy. Under these conditions balance and fairness doctrine matters are minimized, if not completely removed.